



**DEPARTMENT-RELATED PARLIAMENTARY STANDING
COMMITTEE ON COMMERCE**

**One Hundred and Seventeenth Report on 'Demands for Grants (2015-16)' of
Department of Commerce, Ministry of Commerce and Industry'**

The Department Related Parliamentary Standing Committee on Commerce, under the Chairmanship of **Dr. Chandan Mitra, MP, Rajya Sabha** presented the One Hundred and Seventeenth Report on 'Demands for Grants (2015-16) of Department of Commerce, Ministry of Commerce and Industry' to the Rajya Sabha on 28th April, 2015. The Report has simultaneously also been laid on the Table of Lok Sabha. The full Report is available on the website www.rajyasabha.nic.in. Gist of main recommendations of the Committee is given below:-

Export Performance

- Export promotion schemes may be revisited to give more space to MSME sector in general and hand hold them to access markets in the neighbouring countries.
- Re-orient its export promotion efforts to give boost to value-added products that will fetch a higher value.
- Revisit the Foreign Trade Agreements to ensure that the cheaper imports do not sweep away domestic industry causing more dependence on imports and to take effective measures to check the inverted duty structure affecting various industries in the country.

Market Development Assistance (MDA) Scheme

A Task Force to review the working of EPC may be constituted having wide representation of all stakeholders including Members of Parliament.

Assistance to States for Development of Infrastructure and Other Allied Activities (ASIDE) Scheme

The scrapping of the ASIDE Scheme will take away the incentives from the States to take interest in export promotion measures which ultimately will take a toll on the inclusive growth of the country.

Export Credit & Guarantee Corporation (ECGC)

At least Rs. 500 crore may be allocated for capital infusion into ECGC.

National Exports Insurance Account (NEIA)

Engage the Ministry of External Affairs to proactively find/create more opportunities for project exports from India.

Special Economic Zones (SEZs)

The original benefits in terms of Minimum Alternate Tax (MAT) and Dividend Distribution Tax (DDT) be restored. The Committee also recommended the Department to engage C&AG for conducting performance audit of SEZs in the country.

Tea Board

Monitoring mechanism be made more robust so that Tea Board does not fail to discharge its mandate significantly.

Rubber Board

- Department must ensure that the activities of Rubber Board and its Rubber Institute do not fall prey to inadequate budgetary allocation especially in present day situation where rubber productivity has

stagnated, imports are rampant and rubber prices are at its lowest, thereby, causing huge pressure on rubber production.

- Cess collected from rubber growers may be given back to the Rubber Board so that it may carry effective programmes for the adequate production of quality rubber for consumption by rubber industry.
- Enhance the import duty to 25% and take up the matter of promotion of road rubberisation with the Ministry of Road Transport and Highways.

Market Access Initiative (MAI) Scheme

Infusion of right set of policy measures and optimal support for promotion of MSME exports would help the Department attain its export targets under the new Foreign Trade Policy apart from creating strong manufacturing base for the country.
